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Receiver for Baystar Capital Management, LLC
6 and Lawrence Goldfarb

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9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE) Case No.: C-11-0938 WHA
12 COMMISSION,)
13) **[PROPOSED] ORDER**
14 Plaintiff,) **GRANTING RECEIVER'S**
15 v.) **MISCELLANEOUS**
16) **ADMINISTRATIVE**
17) **APPLICATION FOR AN**
18 LAWRENCE R. GOLDFARB and) **ORDER PURSUANT TO**
19 BAYSTAR CAPITAL) **LOCAL RULE 7-11 FOR A**
MANAGEMENT, LLC,) **SALE OF ASSETS AND**
20) **SECOND DISTRIBUTION**
21 Defendants.)
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23)
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27)
28)

ORDER AUTHORIZING SALE OF ASSETS AND DISTRIBUTION

24 Pursuant to Local Rule 7-11 of the Northern District of California, the
25 Receiver in the above matter has submitted to the Court a miscellaneous
26 administrative application for an Order approving the sale of certain illiquid
27 assets, and a distribution of assets to the Defendant's defrauded investors. Along
28 with the administrative application, the Receiver has presented the Court with a

1 declaration setting forth his efforts to value the illiquid investments, the
2 involvement of the two largest and sophisticated investors in the valuation
3 process and the reasons for his recommendation that the illiquid assets be sold for
4 the amounts indicated. The Receiver has obtained the non-opposition of all other
5 parties to this matter to his recommendation.

6 GOOD CAUSE APPEARING, the Court hereby authorizes the
7 Receiver to sell defendant Baystar's interest in the Island Fund to its general
8 partner for the amount of \$150,000 and to sell Baystar's interest in the Yacht
9 Fund to its general partner for the amount of \$235,630, both in cash at the time of
10 closing.

11 GOOD CAUSE APPEARING, the Court also hereby authorizes the
12 Receiver to further investigate the entitlement of the few Baystar investors who
13 invested solely in the Yacht Fund side pocket, in order to determine their
14 entitlement to a distribution solely from the Yacht Fund proceeds, and to make
15 such pro rata distributions to them if appropriate and they can be located with
16 reasonable effort.

17 GOOD CAUSE ALSO APPEARING, the Court hereby authorizes
18 the Receiver to make such cash distributions, as he deems appropriate, in the
19 approximate amount of \$700,000, to the defrauded Baystar investors in the
20 proportionate amounts previously approved by this Court.

21
22 SO ORDERED.

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24 DATED: January 28, 2016

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27 Judge William Alsup

28 United States District Court